



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

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SANTA FE, NEW MEXICO 87501
(505) 827-5800

October 30, 1984

Administrative Order No. DHC-532

Arco Oil & Gas Company
P.O. Box 1610
Midland, Texas 79702

Attention: Mr. Joe R. Hastings

Re: S. J. Sarkeys No. 5
Unit O, Sec. 23, T-21S,
R-37E, NMPM, Tubb and Wantz
Abo Pools, Lea County, NM

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the Wantz Abo zone shall be determined by multiplying 6,000 by top unit allowable for the Wantz Abo pool and the maximum amount of gas which may

be produced from the Tubb zone shall be determined by the Oil Conservation Division's Southeast Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Tubb Pool: Oil 5 %, Gas 70 %
Wantz-Abo Pool: Oil 95 %, Gas 30 %

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Sincerely,



R. L. STAMETS,
Acting Director

Company.....: Arco Oil & Gas Company
 Address.....: P.O. Box 1610
 City, State, Zip: Midland, Texas 79702

Attention: Mr. Joe R. Hastings

Well Name and Number: S.J. Sarkeys No. 5

Location: Unit Letter O, Section 23, T21S, R37E, N44W
 Lea County, N.M.

Pools: Tubb and Wantz Abo

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the wellbore.

~~Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle the production from both pools in the wellbore.~~

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and ^{and} Division Order No. (Form C-107, dated), which authorized the dual completion and required separation of the two zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the ~~well~~ shall be determined by multiplying 6000 by top unit allowable for the Wantz Abo pool, and the maximum amount of gas which may be produced from the Tubb zone shall be determined by the Oil Conservation Division's Southeast Gas Production Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

<u>Tubb</u>	Upper Pool: (Oil) (Condensate)	<u>5</u> %	Gas	<u>70</u> %
<u>Wantz-Abo</u>	Lower Pool: Oil Condensate	<u>95</u> %	Gas	<u>30</u> %

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.